

**875—218.114(91D) Exception for owners of 20 percent interest.**

**218.114(1)** An exception from the percentage limitations on nonexempt work is provided for an employee “who owns at least a 20 percent interest in the enterprise” in which the employee is employed. This provision recognizes the special status of a shareholder of an enterprise who is actively engaged in its management.

**218.114(2)** The exception is available to an employee owning a bona fide 20 percent equity in the enterprise in which the employee is employed regardless of whether the business is a corporate or other type of organization.

SOURCE: 29 CFR 541.114.